



State of Arizona  
Department of Education

Tom Horne  
Superintendent of  
Public Instruction

CN#51-05

September 15, 2005

TO: All CACFP Center Sponsoring Organizations

FROM: Carol Foxhoven  
Financial Services Director  
Health and Nutrition Services

Melissa Steinle  
CACFP Director  
Health and Nutrition Services

SUBJECT: CACFP CENTER ADVANCES

Effective October 1, 2005, Health and Nutrition Services will no longer issue monthly advances to Child Care Centers participating on the Child and Adult Care Food Program. Federal Regulation 7 CFR 226.10(a) states that a State Agency *may* elect to issue advances to participating CACFP institutions. The Department of Education bases this decision on the following:

- Child care centers have opportunities to receive funds from multiple sources;
- 7 CFR 226.6(b)(1)(xvii)(A)(2) and 7 CFR 226.6(b)(2)(vii)(A)(2) address mandatory performance standards that identify a financially viable institution; indicating that institutions must have adequate financial resources to operate CACFP on a daily basis and to be able to withstand temporary interruptions in program payments.

Please feel free to contact Health and Nutrition Services at 602.542.8700 with questions regarding child care center advances.